



Natural Resources Conservation Service
P.O. Box 2890
Washington, D.C. 20013

CONSERVATION PROGRAMS MANUAL (CPM)
440-CPM
Circular No. 13, (Part 512)

December 10, 2009

SUBJECT: CPM – Environmental Quality Incentives Program (EQIP) Payment Rates Greater Than Fifty Percent

Purpose. Establish procedures for reviewing Environmental Quality Incentives Program (EQIP) Payment Rates greater than 50 percent.

Effective Date. This circular is effective upon receipt.

Background. The EQIP regulation [1466.23(d)] and policy [CPM 440- Part 512, Section 512.31(B)(5)] requires that prior to the publication or upload to ProTracts, payment schedule lists for an EQIP program that includes a practice payment percentage rate greater than 50 percent must be submitted to the Chief or designees for review and concurrence.

Explanation. For fiscal year (FY) 2010, the Chief's approval of cost share rates greater than 50 percent is not required. State Conservationists are designated as the agency official to review and approve payment schedules that will be used for developing the financial assistance contracts for Agricultural Management Assistance, Chesapeake Bay Watershed Initiative, Conservation Security Program, Environmental Quality Incentives Program, and the Wildlife Habitat Incentive Program.

Development of the payment schedules will ensure the process is more transparent to our customers and greatly reduce the administration burden on our field staff.

Payment schedules containing cost share rates greater than 50 percent will consider the following criteria:

- Address both State and national priorities.
- Address multiple resource concerns.
- Create consistency across political boundaries.
- Ensure cost-effectiveness of addressing the resource concern.
- Encourage the implementation of the best suited practices yielding the greatest environmental benefits.
- Ensure ability of the practices to provide a long-term set of environmental benefits.

Payment schedules need to be reviewed to ensure there is consistency in cost share rates across State boundaries. In the event there are differences in cost-share rates across State boundaries, States need to ensure there is documentation to justify the differences.

Contact. If you have questions, contact Mitch Flanagan, Program Analyst, Regional Conservationists Office, at (202) 690-2190.

/s/

Dave White
Chief